

March 30, 1983

LB 469

SENATOR NEWELL: Senator Warner, could you just briefly explain what LB 469 is attempting to do? I see in here that it is intended to lapse some, or leave some \$326,000 of revenue in the agencies and I am curious why we are changing it so it won't lapse.

SENATOR WARNER: Okay, it is not a lapse, Senator Newell. The introduction of the bill, as I explained on General File, goes back to two years ago. We had legislation introduced that would have extended it for 15% of various fees that are regulatory agencies licensing boards to all of them which was soundly defeated by the Legislature. The whole 15% concept was established prior to the authorization of the Department of Institutional Services and in those days that 15% was meant to compensate the state for the space and the cost associated with that agency, and since the Department of Administrative Services was established, we now charge them for space for all their costs that the state incurs, and in order to bring some uniformity because some of them do pay and some of them do not, this year we proposed to eliminate them. Now this bill will by the rules be held up obviously until after all of the appropriations are done because revenue reductions are to be held until after that time period. But the purpose of the bill was to treat equally these various licensing boards where now they are not. Last year we tried to assess them all and that was unacceptable and it seems out of equity then none should be assessed. There is no rationale for the way we are now other than the fact that as they were enacted prior to 1965 that 15% provision was put into the law.

SENATOR NEWELL: Okay. Let me ask this other question then. It seems that if we are going to allow these agencies to keep these dollars, about \$326,000, which will be denied, revenue loss to the General Fund, can we assume that their appropriations were cut appropriately to reflect the additional monies that they will be getting, they will be able to keep?

SENATOR WARNER: Yes, we do not...I can answer your questions as yes. Their appropriations are reduced by that amount.

SENATOR NEWELL: Okay, now is that (interruption)...

SENATOR WARNER: Actually the 15% was never appropriated in the first place. It is just taken out as their funds are deposited automatically.

SENATOR NEWELL: Okay.